

# 13. Country profile: Democratic Republic of the Congo



## 1. Development profile

In the Democratic Republic of Congo (DRC), the last decade of economic development has been defined by political strife and constant conflict. Since 1998, more than 5 million individuals have died from disease, famine and violence, causing some to refer to the DRC as the site of the “Third World War”. While the war formally ended in 2002, the unrest has continued and the DRC’s national government has been unable to control the whole country, making conditions unfavourable for foreign investment, infrastructure improvement and tax collection. Moreover, where it is operational, the government contends with high levels of corruption.

Despite the country’s rich endowment of oil, diamonds, copper, and cobalt, almost 60 percent of the country’s population, which is the third largest in sub-Saharan Africa, lives below the poverty line, and much of the DRC’s economic activity takes place in the informal sector.<sup>1</sup> Basic social services, such as the provision of potable drinking water, are scarce. At the turn of the millennium, hyperinflation – 511 percent in 2000 – was a huge issue, but has since been dealt with by the government.<sup>2</sup> Moreover, though the last decade of the 20<sup>th</sup> century saw an average annual decline in real GDP of 5.5 percent, between 2002 and 2005 the DRC experienced not only positive GDP growth, 2002 but an increase in annual growth from 3.5 to 6.5 percent, mostly due to structural reforms across the board.<sup>3</sup> The trend continued in the second half of the decade, with GDP growth estimated at 6.0 percent in 2008. Most economic activity in the country occurs in the informal sector and is thus not reported in GDP data. Mining and petroleum historically account for 75 percent of total export revenues and 25 percent of GDP. Private sector investment in the DRC is relatively high, at about \$2.7 billion USD in 2003.<sup>4</sup> Beginning in 2006, with the fall of mineral resource prices, the mining sector has suffered tremendously. An uncertain legal framework, corruption and a lack of transparency in government policy are long-term problems for the mining sector and the economy as a whole.<sup>5</sup>

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<sup>1</sup> World Bank. (2008, October). *Democratic Republic of the Congo: Country Brief*. (2008, October). Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/CONGODEMOCRATICEXTN/0..menuPK:349476~pagePK:141132~piPK:141107~theSitePK:349466.00.html>

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> CIA World Factbook. (2010, January 15). *Democratic Republic of the Congo*. (2010, January 15). Retrieved from United States Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/cg.html>

Despite its recent achievements, the DRC is still ranked near the bottom of the Human Development Index, at 176 out of 182. International NGOs and institutions such as the World Bank implement much of the development work completed in the country. However, because of continuing unrest, many of these organisations have a difficult time gaining access to those who need help most. The World Bank suspended its engagement with the country from 1991 to 2001 because of the dire conditions, and in 2006 the IMF “curtailed their program for the DRC because of fiscal overruns”

Socioeconomic indicators <sup>6</sup>	
Population (millions)	64.2
GNI per capita, PPP (current USD)	\$290
GDP (current USD) (billions)	\$11.6
GDP composition by sector (%)	Agriculture - Unknown Industry- Unknown Services- Unknown
GDP growth rate (%)	6.0
% below poverty line (%)	59.2
Inflation (%)	19.5
GINI index	44.4
Adult literacy rate (%)	67.2
Life expectancy (years)	48
Child dependency ratio	91
Elderly dependency ratio	5.2
HIV prevalence (%)	2.9 <sup>7</sup>
Overseas development aid per capita (current USD)	\$19
Net official development assistance 2005 (USD Millions)	\$1,828
Remittances as % of GDP	Unknown
2009 Human Development Index (HDI) ranking	176/182

## 2. Vulnerability Analysis

### 2.1 External shocks

Despite its relatively small size, the Congolese economy is very sensitive to external shocks. Its GDP growth is expected to slow down significantly because of decreased demand and decreased commodity export prices. The global slowdown, coupled with escalating unrest, has put development projects, such as China’s Infrastructure Against Mining project, at risk.<sup>8</sup>

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<sup>6</sup> World Development Indicators Database and the 2009 UNDP Human Development Report. (2009). Retrieved from World Bank.

<sup>7</sup> WHO. (n.d.). *Democratic Republic of the Congo: Core Health Indicators*. Retrieved from World Health Organization: [http://apps.who.int/whosis/database/core/core\\_select\\_process.cfm?countries=cod&indicators=HIVPrevAdults](http://apps.who.int/whosis/database/core/core_select_process.cfm?countries=cod&indicators=HIVPrevAdults)

<sup>8</sup>Mushobekwa, E. (2008, December 27). *DR Congo Perspectives on the Financial Crisis*. Retrieved from Africa Can...End Poverty: <http://blogs.worldbank.org/africacan/dr-congo-perspectives-on-the-financial-crisis>

## 2.2 HIV/AIDS

The prevalence of HIV/AIDS in the DRC is lower than the regional average of roughly 5 percent. However, the rate of infection is increasing. According to the World Bank, the number of children orphaned by AIDS is estimated to be 700,000.<sup>9</sup> Women account for the majority of new cases, with mother-to-child transmission also on the rise. Women are relegated to a socially subordinate position, which precludes them from asserting their preferences in sexual encounters. Women are often forced to resort to prostitution and other unsafe activities in order to survive. The high level of poverty has also been cited as a key contributor to the spread of HIV. Many households spend over 85 percent of their income on food, limiting the amount of money that can be dedicated to healthcare. An estimated “61 percent of [affected] households turn to traditional healers and sometimes to self-medication, thus making it difficult to identify and monitor those affected”.<sup>10</sup>

## 2.3 Foreign aid and remittances

Information is not available on the total level of remittances flowing into the DRC; however, aid flows have already begun to drop in the past year, which is particularly worrisome for a country whose aid inflows account for 15 to 30 percent of its gross national income.<sup>11</sup>

## 2.4 Political conflict

The impact of the past two decades of unrest cannot be overstated. Every aspect of DRC’s society is tainted by a history of violence and instability: “Infrastructure suffered from a lack of maintenance and physical destruction with many institutions in shambles. Millions of people lost their assets (buildings, livestock, tools), and many enterprises lost assets, staff, and commercial networks. The economy was transformed and it is now centred on subsistence agriculture and informal activities, with a collapse of export and value-adding activities”.<sup>12</sup> In 2009, violent conflict continued in the Eastern Kivu region, where Hutu rebel groups are fighting for control of land and resources.<sup>13</sup>

# 3 Monitoring and evaluation

As part of its *Poverty Reduction & Growth Strategy Paper* (PRGSP), completed in collaboration with the IMF and World Bank, the National Government of the DRC has set out a clear M&E framework with which to measure progress.

Both qualitative and quantitative data are utilized for the purposes of M&E. Quantitative data is being collected from “administrative data and data from other institutions; the population census; and the

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<sup>9</sup>Government of the DRC. (2006, June). *Poverty Reduction and Growth Strategy Paper*. Retrieved from Government of the Democratic Republic of the Congo: [http://siteresources.worldbank.org/INTPRS1/Resources/Demrepofcongo\\_PRSP\(Sept2007\).pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Demrepofcongo_PRSP(Sept2007).pdf)

<sup>10</sup> Ibid.

<sup>11</sup>EC. (2009, October 19). *DRC Tackles the Aid Information Challenge*. Retrieved from European Commission: [http://www.eudevdays.edu/about\\_the\\_event/success\\_stories/congo\\_en.html](http://www.eudevdays.edu/about_the_event/success_stories/congo_en.html)

<sup>12</sup> World Bank. (n.d.) *Democratic Republic of the Congo*. Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/CONGODEMOCRATICEXTN/0,,menuPK:349476~pagePK:141132~piPK:141107~theSitePK:349466,00.html>

<sup>13</sup>*Genocide Intervention*. (n.d.). Retrieved from [http://www.genocideintervention.net/blog/2009/12/15/hrw\\_releases\\_report\\_on\\_congo\\_violence](http://www.genocideintervention.net/blog/2009/12/15/hrw_releases_report_on_congo_violence)

various household surveys”.<sup>14</sup> Qualitative data will be also be sourced from field surveys.

The framework for M&E has national, regional and local components. The Minister of Planning is responsible for all M&E at the national level. The National Coordination Poverty Observatory, Ministry of Finance, Office of the Prime Minister, Ministry of Budget, Ministry of Interior, Inter-Ministerial Commission on Implementation of the National Poverty Reduction Strategy, and National Statistics Institute (INS) all contribute to the national framework. At a decentralized level, Provincial Poverty Reduction Committees and Local Poverty Reduction Committees conduct M&E, which then filters up to the national level. Sectoral administrations are also responsible for sector-specific reports on the impact and efficacy of the programmes and policies.<sup>15</sup>

## 4. Social assistance programmes overview

\*All currency conversions are based on 17<sup>th</sup> February 2010 rates:

- 1 CDF = 0.00107 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD.<sup>16</sup>

<b>Programme #1: in-kind transfer</b>	<b>Programme name</b>	<b>Emergency Standard of Living Project (PUACV)<sup>17</sup></b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>▪ As of 2007, the government ran this project.</li> </ul>
	<b>Programme objectives</b>	<ul style="list-style-type: none"> <li>▪ To support urban centres.</li> </ul>
	<b>Programme components</b>	<ul style="list-style-type: none"> <li>▪ Providing social services.</li> <li>▪ Supporting provincial centres by improving socioeconomic conditions.</li> <li>▪ Improving the road infrastructure throughout the country.</li> <li>▪ Supporting provincial institutions by providing training, supplies and equipment.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>• \$ 82 million USD – World Bank</li> </ul>

<sup>14</sup> IMF. (2007, September). *Democratic Republic of Congo: Poverty Reduction Strategy Paper*. Retrieved from International Monetary Fund: [www.imf.org/external/pubs/ft/scr/2007/cr07330.pdf](http://www.imf.org/external/pubs/ft/scr/2007/cr07330.pdf)

<sup>15</sup> Ibid.

<sup>16</sup> *Currency Converter*. (2010). Retrieved from OANDA: <http://www.oanda.com/currency/converter>

<sup>17</sup> Table text from IMF (2007).

Programme #2: in-kind transfer	Programme name	<b>National Social Protection Support Programme (PNPS)<sup>18</sup></b>
	Programme overview	<ul style="list-style-type: none"> <li>In 2005, the Government launched the programme.</li> </ul>
	Programme objective	<ul style="list-style-type: none"> <li>To improve the social status of vulnerable persons.</li> <li>To facilitate access by the poor to social services, infrastructure, and basic equipment.</li> <li>To implement programmes for wealth creation focusing on target groups, in particular through microfinance efforts.</li> <li>To promote development at the grassroots.</li> </ul>
	Programme components	<ul style="list-style-type: none"> <li>Enhancing the capacities of the social protection structures and stakeholders.</li> <li>Social, economic, and professional reintegration of vulnerable individuals on the basis of programmes and projects targeting each category thereof.</li> <li>Improving the access of vulnerable groups to basic social services.</li> <li>Community assumption of efforts to assist vulnerable groups.</li> </ul>
	Legal framework	<ul style="list-style-type: none"> <li>Created by presidential decree.</li> </ul>

Programme #3: social services and welfare	Programme name	<b>Support to the Social and Economic Reintegration of Demobilized Ex-combatants in the Provinces of North and South Kivu<sup>19</sup></b>
	Programme overview	<ul style="list-style-type: none"> <li>World Bank project.</li> </ul>
	Programme objective	<ul style="list-style-type: none"> <li>Social reintegration of 7,000 ex-combatants.</li> </ul>
	Programme components	<ul style="list-style-type: none"> <li><b>Economic reintegration:</b> provides ex-combatants with training and agricultural livelihood opportunities.</li> <li><b>Social reintegration:</b> provides ex-combatants with conflict mitigation, HIV sensitization and counselling.</li> <li><b>Coordination and monitoring:</b> monitors the progress of the ex-combatants over a period of 12 months.</li> </ul>
	Programme coverage	<ul style="list-style-type: none"> <li>7,000 ex-combatants in North &amp; South Kivu</li> </ul>
	Finance	<ul style="list-style-type: none"> <li>\$3.5 million USD</li> </ul>

<sup>18</sup>Table text from IMF (2007).

<sup>19</sup> Table drawn from World Bank. (2008). *Integrated Safeguards Data Sheet*. (2008). Retrieved from World Bank: [http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000076092\\_20080513131615](http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000076092_20080513131615)

	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>Caritas is implementing the programme at a local level.</li> <li>10 qualified technical specialists and 70 local supervisors.</li> <li>Technical specialists are required to visit each province a minimum of two times per month, to ensure that provinces are complying with safeguard requirements.</li> </ul>
	<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>Caritas will carry out the M&amp;E, reporting to the World Bank on the project's impact.</li> </ul>

<b>Programme #4: welfare and social services</b>	<b>Programme name</b>	<b>Support to the Social &amp; Economic Reintegration of Demobilized Children Formerly Associated with the Fighting Forces (CAFF) and Other Vulnerable Children (OVC) in the DRC<sup>20</sup></b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>World Bank project.</li> </ul>
	<b>Programme components</b>	<ul style="list-style-type: none"> <li>Reintegrates former child soldiers back into their communities and families.</li> <li>Provides training to the beneficiaries (e.g. accelerated learning programmes).</li> <li>Includes research on girls who are associated with the fighting forces, livelihood options, and community context.</li> </ul>
	<b>Programme coverage</b>	<ul style="list-style-type: none"> <li>Programme conducted in North Kivu and Orientale Province (Ituri, Beni and Goma Areas), Eastern Democratic of the Congo.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>\$ 1.6 million USD from Technical Assistance Loan.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>Implemented by Save The Children UK.</li> </ul>

<b>Programme #5: welfare and social services</b>	<b>Programme name</b>	<b>Emergency Demobilization and Reintegration Project<sup>21</sup></b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>World Bank project.</li> </ul>
	<b>Programme objective</b>	<ul style="list-style-type: none"> <li>To re-integrate ex-combatants across the DRC.</li> <li>To reallocate defence spending towards social/economic initiatives.</li> </ul>

<sup>20</sup> Ibid.

<sup>21</sup> Table drawn from:

World Bank. (2010). *DRC: Emergency Demobilization & Reintegration—Additional Financing*. Retrieved from World Bank: <http://web.worldbank.org/external/projects/main?Projectid=P105729&theSitePK=349466&piPK=64290415&pagePK=64283627&menuPK=64282134&Type=Overview>

World Bank. (2008). *Congo, Democratic Republic of - Emergency Demobilization and Reintegration Project : additional financing*. Retrieved from World Bank: [http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037\\_20080408003727](http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037_20080408003727)

	<b>Programme components</b>	<ul style="list-style-type: none"> <li>▪ Demobilizing combatants.</li> <li>▪ Supporting ex-combatants.</li> <li>▪ Releasing children from the armed forces.</li> <li>• Providing additional support for disabled ex-combatants.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>• \$ 100 million USD – bilateral agencies.</li> <li>• \$ 100 million USD – IDA.</li> <li>• \$ 50 million USD in additional funding (2008).</li> </ul>
	<b>Programme coverage</b>	<ul style="list-style-type: none"> <li>• 150,000 ex-combatants.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>▪ The Ministry of Defense is the implementing body.</li> </ul>
	<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>▪ The project has a comprehensive set of M&amp;E indicators that are updated on a quarterly basis.</li> <li>▪ The IDA completed the supervision and monitoring.</li> </ul>
	<b>Programme barriers</b>	<ul style="list-style-type: none"> <li>▪ Delays in implementing the programme allow for new unrest to develop.</li> <li>▪ The ongoing negative impact of foreign combatants using the DRC as a base (i.e. Hutu rebels, Uganda rebel groups, etc.).</li> <li>▪ Government coalition lacks legitimacy as implementing body.</li> </ul>

<b>Programme #6: welfare and social services</b>	<b>Programme name</b>	<b>Prevention of Recruitment, Demobilization &amp; Reintegration of Children Associated w/Armed Forces<sup>22</sup></b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>• World Bank project, conducted in cooperation with the National Government of the DRC.</li> </ul>
	<b>Programme objective</b>	<ul style="list-style-type: none"> <li>▪ To assist the reintegration of former child soldiers.</li> <li>▪ To prevent further recruitment of child soldiers from communities.</li> </ul>
	<b>Programme duration</b>	<ul style="list-style-type: none"> <li>▪ 2005-2007.</li> </ul>
	<b>Programme components</b>	<ul style="list-style-type: none"> <li>▪ Providing training the government and NGOs on how to approach reintegration</li> <li>▪ Establishing coordination mechanisms at the national level</li> <li>▪ Assisting with sensitization programmes,</li> </ul>

<sup>22</sup> Table drawn from World Bank. (2004). *Democratic Republic of Congo - Prevention of Recruitment, Demobilization and Integration of Children Association with Armed Forces Project*. Retrieved from World Bank: [http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000112742\\_20040831111052](http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000112742_20040831111052)

		<ul style="list-style-type: none"> <li>▪ Establishing M&amp;E mechanisms at the national level.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>• Technical Assistance Loan for \$ 5 million USD.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>▪ Implemented by UNICEF.</li> </ul>

<b>Programme #7: welfare and social services</b>	<b>Programme name</b>	<b>Rapid Reaction Mechanism in support of the Demobilization and Reintegration of Ex-combatants in the DRC</b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>▪ World Bank project.</li> </ul>
	<b>Programme duration</b>	<ul style="list-style-type: none"> <li>▪ 2004-2006.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>• \$ 12.6 million USD from Technical Assistance Loan.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>▪ Implemented by UNDP.</li> </ul>

<b>Programme #8: welfare and social services</b>	<b>Programme name</b>	<b>Democratic Republic of Congo Emergency Social Action Project</b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>▪ World Bank project.</li> </ul>
	<b>Programme objective</b>	<ul style="list-style-type: none"> <li>▪ “to improve access of the poor to social, and economic services</li> <li>▪ and increase the availability, and management of development resources at the community level.”<sup>23</sup></li> </ul>
	<b>Programme components</b>	<ul style="list-style-type: none"> <li>▪ Infrastructure improvement will take place. These improvements were community-led.</li> <li>▪ Capacity building for community governments and NGOs was included.=</li> <li>▪ Educational opportunities were afforded to top performing students. Moreover, literacy programmes were established and libraries were built in Kinshasa.</li> <li>▪ Project coordination assistance was provided in order to establish better self-governance and M&amp;E frameworks.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>• Emergency Recovery Loan.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>▪ Implemented by the Social Fund Agency.</li> </ul>
	<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>▪ M&amp;E completed by the Social Fund Agency.</li> </ul>
	<b>Programme barriers</b>	<ul style="list-style-type: none"> <li>▪ Ongoing political unrest.</li> <li>▪ Weak implementation capacity of the national government.</li> </ul>

<sup>23</sup> Table drawn from:

World Bank. (2010). *Democratic Republic of Congo: Emergency Social Action Program*. Retrieved from World Bank: <http://web.worldbank.org/external/projects/main?pagePK=64312881&piPK=64302848&theSitePK=40941&Projectid=P086874>

World Bank (2010). *DRC: Emergency Demobilization & Reintegration - Additional Financing*.